

Minutes  
Catawba County Board of Commissioners  
Regular Session, Monday, June 21, 2004, 7:00 p.m.

**Appointments**

|  |     |          |
|--|-----|----------|
| Animal Cruelty Investigators                   | 602 | 06/21/04 |
| Transportation Advisory Board                  | 602 | 06/24/01 |
| Western Piedmont Sister City Association Board | 602 | 06/21/04 |

**Certificates of Commendation**

|   |     |          |
|---|-----|----------|
| Catawba Small Area Planning Committee members | 596 | 06/21/04 |
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**Emergency Services**

|   |     |          |
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| Delegation of Permitting and Approval Powers for Firework Displays from Board to Fire Marshal | 602 | 06/21/04 |
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**Fees**

|                          |     |          |
|--------------------------|-----|----------|
| Waiver of fees for mulch | 603 | 06/21/04 |
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**Finance**

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| Installment Financing of Public School and Community College Facilities<br>(Maiden High School and CVCC Library) | 596 | 06/21/04 |
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**Fire Marshal**

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| Delegation of Permitting and Approval Powers for Firework Displays from Board to Fire Marshal | 602 | 06/21/04 |
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**Landfill, Blackburn**

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| Hefner Property Purchase | 603 | 06/21/04 |
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**Public hearing**

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| Installment Financing of Public School and Community College Facilities | 596 | 06/21/04 |
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**Reinventing**

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| Personnel Changes, Reinventing Government - Social Services Department | 604 | 06/21/04 |
| Reinventing Government - County Manager's Office                       | 604 | 06/21/04 |

**Resolutions**

|   |     |          |
|---|-----|----------|
| 2004-18, Installment Financing of Public School and Community College Facilities, Maiden High School and CVCC Library | 598 | 06/21/04 |
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**Schools**

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| Installment Financing of Public School and Community College Facilities<br>(Maiden High School and CVCC Library) | 596 | 06/21/04 |
| Transfer of Capital Projects for Newton-Conover Schools  | 602 | 06/21/04 |

**Utilities and Engineering Department**

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| Waiver of fees for mulch | 603 | 06/21/04 |
| Hefner Property Purchase | 603 | 06/21/04 |

The Catawba County Board of Commissioners met in regular session on Monday, June 21, 2004, 7:00 p.m., at the 1924 Courthouse, Robert E. Hibbitts Meeting Room, 30 North College Avenue, Newton, North Carolina.

Present were Chair Katherine W. Barnes, Vice-Chairman Dan A. Hunsucker, Commissioners Glenn E. Barger, Barbara G. Beatty, and Lynn M. Lail.

Absent: N/A

A quorum was present.

Also present were County Manager/Deputy Clerk J. Thomas Lundy, Assistant County Manager Mick W. Berry, Assistant County Manager Joellen J. Daley, County Attorney Robert Oren Eades, and County Clerk Thelda B. Rhoney.

1. Chair Barnes called the meeting to order at 7:00 p.m.
2. Chair Barnes led in the Pledge of Allegiance to the Flag.
3. Invocation offered by Commissioner Hunsucker.
4. Commissioner Hunsucker made a motion to approve the minutes from the regular session of Monday, June 7, 2004. The motion carried unanimously.
5. Recognition of Special Guests.

Chair Barnes recognized Incumbents for County Commissioner Barbara Beatty and Dan Hunsucker and Candidate Larry Drum.

6. Public Comment for items not on the agenda. None.

7. Presentations:

- a. Certificates of Commendation for Catawba Small Area Planning Committee members.

Chair Barnes presented certificates to the following committee members in attendance: J.V. Huffman, Jr., Trent Cloninger, Rick Young, Dean McGinnis, and Glenn Pattishall. Other members not in attendance included Margaret Garrison, Jerry Setzer, Lanny Hartsoe, Jeff Murray, Todd Clark, Chris Niver, and Charles Conner, III.

8. Public hearing:

- a. Installment Financing of Public School and Community College Facilities.

Finance Director Rodney N. Miller said the Board of Commissioners is requested to hold a public hearing as advertised in connection with an installment financing of public school and community college facilities. The Board is also requested to: Adopt a resolution to pursue financing for school projects, approve an agreement with Catawba County, and amend the 2004-05 budget by \$2.8 million to have sufficient funds for the construction of a new Maiden High School.

In the FY 03-04 budget, the Board of Commissioners dedicated two cents of the tax rate to be used with retiring school debt each year as an investment in education for Catawba County. A funding plan was prepared with the funds generated, which would allow the County to begin construction of a new middle school in the Hickory City School system, a new high school for the Catawba County School system and a learning resource and technology center for Catawba Valley Community College (CVCC).

In August 2003, the Board approved the construction of Hickory Middle School B in the amount of \$12.1 million, financed through an installment purchase contract of \$9.9 million. The difference, approximately \$2.2 million was pledged with general fund dollars, which would be reimbursed when the County financed the construction of Maiden High School. This type of financing was selected to achieve the best possible interest rates available at the time. By borrowing less than \$10 million in a calendar year, significant interest savings were realized.

The new Maiden High School was estimated to cost \$26 million. Bids were received on May 26, 2004, for \$32,027,330 or \$5,255,330 over budget (excluding \$772,000 in sales tax refunds). The Catawba County School Board met on June 9, 2004, and approved requesting additional funds from the County in the amount of \$2,562,406 and deferring the purchase of furniture and technology equipment to be funded from regular capital allocations in fiscal year 2005-06 and 2006-07. In negotiations with the Schools, it was agreed that to further close the budget gap, the future projects of old Maiden High School renovation, and Tuttle Middle School Renovations (to be used as a middle school and elementary school respectively) would be reduced from \$3.1million to \$2.6 million.

The Library Learning and Technology Center was tagged as the top priority for CVCC before a failed bond referendum occurred in early 2001. This project was estimated at \$7 million, with financing to be secured by Catawba County. CVCC also had plans to construct a Math/Science center, to include specially designed classrooms and laboratories for sciences, chemistry, physics and mathematics instruction, which was to be financed with \$7.5 million in State Bond funds. Since that time, plans were developed to combine the two centers into the same project, using less space and realizing economies of scale with one building.

With the projects above exceeding \$10 million, they will be financed through Certificates of Participation (COPs), a form of financing described under G.S. 160A-20. Like the Middle School project, since the County does not own the land upon which the High School and Learning Library will be built, the Catawba County Board of Education and CVCC Board of Trustees must convey the land to the County in order for the County to borrow the funds. The County will, in turn, lease the new school, learning library and land at a nominal fee back to the Board of Education and CVCC for their use, and at the end of the financing term, transfer all rights to the property back to the respective parties.

All local governments in North Carolina that borrow funds greater than \$500,000 or longer than five years to maturity must receive approval by the Local Government Commission (LGC), a division of the NC Department of State Treasurer. If approved by the Board of Commissioners, the LGC will consider these projects at their July 6, 2004 meeting in Raleigh.

The Board is requested to:

1. Hold a public hearing in connection with an installment financing of public school and community college facilities.
2. Adopt a resolution necessary to pursue financing of the school projects listed above. (Copy of referenced legal documents necessary to make transactions on file in the Office of Finance Director.)
3. Approve an agreement with Catawba County Schools specifying how the budget short fall on Maiden High School will be addressed Schools (Copy of agreement on file in the Office of Finance Director).
4. Amend the 2004-05 budget by \$2.8 million to fund \$28.5 million for Maiden High School and pay related financing costs.

Revenue:

|                                  |             |
|----------------------------------|-------------|
| 423-740050-690410 COPS Financing | \$2,800,000 |
|----------------------------------|-------------|

Expenditure:

|   |             |
|---|-------------|
| 423-740100-863200-SC1035 Maiden High School | \$2,800,000 |
|---|-------------|

At 7:00 p.m., the Chairman announced that this was the hour and day of the public hearing on a proposed installment financing agreement (the "Agreement") to be entered into by the County of Catawba, North Carolina (the "County") pursuant to Section 160A-20 of the General Statutes of North Carolina (a) in an amount not to exceed \$31,000,000 for the purpose of financing all or a portion of the cost of (i) completing the acquisition, construction and equipping of a middle school for the Hickory City School District and (ii) acquiring, constructing and equipping the new Maiden High School for the Catawba County Board of Education (collectively, the "School Projects") and (b) in an amount not to exceed \$8,000,000 for the purpose of financing all or a portion of the cost of acquiring, constructing and equipping a new learning library facility for Catawba Valley Community College (the "Community College Project" and, collectively with the School Projects, the "Projects"). If the County enters into the Agreement, its obligations thereunder will be secured by a deed of trust on all or a portion of the sites

where the Projects are or will be located, together with the improvements and fixtures located or to be located thereon.

In connection with the proposed plan of finance, the County will acquire certain property from the Catawba County Board of Education (the "Board of Education") to be used for the School Projects. The property so acquired will be leased back to the Board of Education, which lease would be subordinate to the lien created by the deed of trust. Furthermore, in connection with the proposed plan of finance, the County will acquire certain property from Catawba Valley Community College (the "Community College") to be used for the Community College Project. The property so acquired will be leased back to the Community College, which lease would be subordinate to the lien created by the deed of trust.

Section 160A-20(g) of the General Statutes of North Carolina requires that the County hold a public hearing prior to entering into the Agreement. Section 153A-158.1 of the General Statutes of North Carolina requires that the County hold a public hearing on the proposed acquisition of the property relating to the School Projects. Section 153A-158.2 of the General Statutes of North Carolina requires that the County hold a public hearing on the proposed acquisition of the property relating to the Community College Project.

The Chairman acknowledged due publication of the notice of public hearing in two newspapers with a general circulation in said County and directed the Clerk to the Board of Commissioners to attach the affidavits showing publication in said newspapers on a date at least ten (10) days prior to the date hereof as Exhibit A.

The Chairman then announced that the Board of Commissioners would immediately hear anyone who might wish to be heard on the advisability of the proposed financing of the Projects and the conveyance of property to the County in connection therewith as described above. No one spoke.

A list of all persons making comments and a summary of such comments are attached as Exhibit B. None.

The public hearing was closed.

All statements and comments by participants of the public hearing were duly considered by the Board of Commissioners. None.

Thereupon, Commissioner Barnes introduced the following resolution the title of which was read and copies of which had been previously distributed to each Commissioner:

**RESOLUTION NO. 2004-18**

**Resolution Making Certain Findings and Determinations Regarding the Financing of Certain Improvements to Public School and Community College Facilities Pursuant to an Installment Financing Agreement; Requesting The Local Government Commission to Approve the Financing Arrangement; and Authorizing the Execution and Delivery of an Installment Financing Agreement, a Deed of Trust and Related Documents in Connection Therewith**

BE IT RESOLVED by the Board of Commissioners (the "Board") for the County of Catawba, North Carolina (the "County") as follows:

Section 1. The Board does hereby find and determine as follows:

(a) There exists in the County a need to (a) complete the acquisition, construction and equipping of a middle school for the Hickory City School District, (b) acquire, construct and equip the new Maiden High School for the Catawba County Board of Education and (c) acquire, construct and equip a new learning library facility for Catawba Valley Community College (collectively, the "Project").

(b) After due consideration, the Board has determined to enter into an Installment Financing Agreement, to be dated as of August 1, 2004 (the "Agreement"), with Catawba County Public Facilities Financing Corporation (the "Corporation") to provide for an advancement thereunder in a principal amount not to exceed \$39,000,000 to pay the costs of the Project and to pay certain other costs associated with the financing.

(c) The Corporation will advance to the County amounts sufficient to pay the costs specified in subsection (b) of this Section, and the County will repay the advancement in installments, with interest (the "Installment Payments").

(d) In order to secure its obligations under the Agreement, the County will execute and deliver a deed of trust (the "Deed of Trust"), granting a lien on certain sites of the Project, together with all improvements and fixtures located or to be located thereon.

(e) In order to provide the amount of the advance, the Corporation will enter into a Trust Agreement, to be dated as of August 1, 2004 (the "Trust Agreement"), with Wachovia Bank, National Association, as trustee (the "Trustee"), pursuant to which the Corporation will execute and deliver certificates of participation (the "Certificates") evidencing proportionate and undivided interests in the right to receive the Installment Payments.

(f) In connection with the financing of the new high school constituting a portion of the Project, the County will enter into a Construction and Acquisition Agreement, to be dated as of August 1, 2004 (the "High School Construction Agreement"), with the Catawba County Board of Education (the "Board of Education").

(g) In connection with the financing of the community college facility constituting a portion of the Project, the County will enter into a Construction and Acquisition Agreement, to be dated as of August 1, 2004 (the "Community College Construction Agreement"), with The Trustees of Catawba Valley Community College (the "Board of Trustees").

(h) The Board of Education will convey to the County the site of the new high school constituting a part of the Project, and such site, together with all improvements thereon, will be leased by the County to the Board of Education pursuant to a Lease Agreement, to be dated as of August 1, 2004 (the "High School Lease"), between the County and the Board of Education, which High School Lease will be subordinate to the lien created by the Deed of Trust.

(i) The Board of Trustees will convey to the County the site of the community college facility constituting a part of the Project, and such site, together with all improvements thereon, will be leased by the County to the Board of Trustees pursuant to a Lease Agreement, to be dated as of August 1, 2004 (the "Community College Lease"), between the County and the Board of Trustees, which Community College Lease will be subordinate to the lien created by the Deed of Trust.

(j) The Certificates will initially be sold to Legg Mason Wood Walker, Incorporated and Scott & Stringfellow, Inc., trading as BB&T Capital Markets (the "Underwriters"), pursuant to the terms of the Contract of Purchase, to be dated as of the date of delivery thereof (the "Contract of Purchase"), between the Corporation and the Underwriters, pursuant to which the County will be required to execute and deliver a Letter of Representation, to be dated as of the date of delivery thereof (the "Letter of Representation").

(k) In connection with the offering and sale of the Certificates by the Underwriters, there will be prepared and distributed to potential purchasers a Preliminary Official Statement, to be dated as of the date of delivery thereof (the "Preliminary Official Statement"), relating to the offering and sale of the Certificates and the Official Statement (hereinafter defined).

(l) There has been presented to the Board at this meeting drafts of the following documents (Copies of the following documents on file in the Office of Finance Director.)

(1) the Agreement;

(2) the Trust Agreement, together with the form of Certificates attached as Exhibit A thereto;

(3) the Deed of Trust;

(4) the High School Construction Agreement;

(5) the Community College Construction Agreement;

(6) the High School Lease;

(7) the Community College Lease

(8) the Contract of Purchase, together with the Letter of Representation attached as Exhibit A thereto;  
and

(9) the Preliminary Official Statement.

(m) It is in the best interest of the County to enter into the Agreement, the Deed of Trust, the High School Construction Agreement, the Community College Construction Agreement, the High School Lease and the Community College Lease in that such plan of finance will result in providing financing for the Project in an efficient and cost effective manner.

(n) Entering into the Agreement is preferable to a general obligation bond and revenue bond issue in that (i) the County does not have sufficient constitutional authority to issue non-voted general obligation bonds pursuant to Article V, Section 4 of the North Carolina Constitution because the County has not retired a sufficient amount of debt in the preceding fiscal year to issue a sufficient amount of general obligation bonds for the Project without an election; (ii) the nature of the financing does not allow for the issuance of revenue bonds to finance the Project; (iii) the cost of the Project exceeds the amount to be prudently provided from currently available appropriations and unappropriated fund balances; (iv) the circumstances existing require that funds be available to commence construction of the Project as soon as practicable and the time required for holding an election for the issuance of voted general obligation bonds pursuant to Article V, Section 4 of the North Carolina Constitution and the Local Government Bond Act will delay the commencement of construction of the Project by several months; and (v) there can be no assurances that the issuance of general obligation bonds to finance the Project would be approved by the voters and the necessity of the Project dictates that the Project be financed by a method that assures that the Project will be constructed in an expedient manner.

(o) Based upon information provided to the Board, the costs of the financing described above is reasonably comparable to the costs associated with other alternative means of financing and is acceptable to the Board.

(p) Special counsel to the County will render an opinion to the effect that the proposed undertaking as described above is authorized by law and is a purpose for which public funds may be expended pursuant to the Constitution and laws of the State of North Carolina.

(q) The debt management policies of the County have been carried out in strict compliance with law, and the County is not in default under any obligation for repayment of borrowed money.

(r) Any tax rate increase anticipated to be necessary to pay the Installment Payments will be reasonable.

Section 2. The Board hereby ratifies and approves the filing of an application with the Local Government Commission for approval of the Agreement and requests the Local Government Commission to approve the Agreement and the proposed financing and in connection therewith.

Section 3. In order to provide for the financing of the Project, the County is hereby authorized to enter into the Agreement and receive the Advancement pursuant thereto in a principal amount not to exceed \$39,000,000. In order to provide the funds for the Advancement to be made by the Corporation to the County, the Corporation is hereby requested to enter into the Agreement, the Trust Agreement and the Contract of Purchase and to execute and deliver the Certificates. The actual principal amount of the Advancement shall be determined by the County at the time of execution of the Letter of Representation, such execution and delivery of the Letter of Representation to constitute approval by the County of the principal amount of such Advancement as set forth in the Contract of Purchase and the approval by the County of the execution and delivery by the Corporation of the Certificates in the principal amount set forth in the Contract of Purchase. The amount of the Advancement shall be the amount that, in the best judgment of the person executing the Letter of Representation, shall be the amount necessary to provide sufficient funds, together with any other available funds, to pay (a) the costs of the Project and (b) the financing costs incurred in connection with the sale, execution and delivery of the Certificates. The rates of interest on the Installment Payments shall be determined by the County at the time of the execution by the County of the Letter of Representation, such rates to reflect the interest rates borne by the Certificates; provided, however, that such interest rates shall not result in a true interest cost in excess of 5.50% per annum, such execution and delivery of the Letter of Representation to constitute approval by the County of the interest rates on the Installment Payments.

Section 4. The Certificates shall be sold to the Underwriters pursuant to the Contract of Purchase. The Certificates may be sold to the Underwriters at a discount below the amount of the principal amount of the Advancement, such

discount not to exceed 98% of the principal amount of the Advancement; provided, however, that if all or any of the Certificates are to be sold to the public by the Underwriter at original issue discount (resulting in lower interest costs of the interest component of the Installment Payments), then the Certificates may be sold at a further discount in the amount necessary to cover such original issue discount. The final maturity of the Certificates shall not be later than June 1, 2024.

Section 5. The County Manager, the Finance Director and the County Attorney are hereby authorized to take such action as is necessary to obtain a policy of municipal bond insurance for the Certificates (the "Certificate Insurance Policy"). The premium for the Certificate Insurance Policy shall be paid from the proceeds of the Certificates. The Chairman of the Board, the County Manager, the Finance Director and the County Attorney are hereby authorized and directed to execute and deliver any documentation necessary for the procurement of the Certificate Insurance Policy.

Section 6. The Board hereby approves the forms of the Agreement, the Deed of Trust, the High School Construction Agreement, the Community College Construction Agreement, the High School Lease, the Community College Lease and the Letter of Representation in substantially the forms presented at this meeting. The Chairman of the Board, the County Manager and the Finance Director are each hereby authorized to execute and deliver on behalf of the County the Agreement, the Deed of Trust, the High School Construction Agreement, the Community College Construction Agreement, the High School Lease, the Community College Lease and the Letter of Representation in substantially the forms presented at this meeting, containing such insertions, deletions and filling in of blanks as the person executing such documents shall approve, such execution to be conclusive evidence of approval by the Board of any such changes. The Clerk to the Board or any assistant or deputy Clerk to the Board is hereby authorized to affix the official seal of the County to each of said documents and to attest the same to the extent required.

Section 7. The Board hereby approves the Trust Agreement, the Certificates and the Contract of Purchase in substantially the forms presented at this meeting.

Section 8. The Board hereby approves the Preliminary Official Statement in substantially the form presented at this meeting and hereby approves the distribution thereof by the Underwriters in connection with the offering and sale of the Certificates. Upon the sale of the Certificates to the Underwriters, a final Official Statement, to be dated as of the date of the Contract of Purchase (the "Official Statement"), will be prepared substantially in the form of the Preliminary Official Statement and will contain such information relating to the pricing terms of the Certificates and such additional information as may be necessary. The Board hereby approves the execution and delivery of the Official Statement on behalf of the County by the Chairman of the Board, the County Manager and the Finance Director and the distribution thereof by the Underwriters in connection with the offering and sale of the Certificates.

Section 9. The Board hereby specifically authorizes the above-mentioned documents to be supplemented and revised in any manner necessary or desirable to properly reflect the inclusion of any requirements of the provider of the Certificate Insurance Policy, the execution and delivery by the County of the Letter of Representation to be conclusive evidence of approval by the Board of any such changes.

Section 10. No deficiency judgment may be rendered against the County in any action for breach of any contractual obligation under the Agreement, and the taxing power of the County is not and may not be pledged directly or indirectly to secure any moneys due under the Agreement.

Section 11. The Chairman of the Board, the County Manager, the Finance Director and the County Attorney are hereby authorized to cooperate with the Underwriters in preparing and filing such filings under state securities or "blue sky" laws as the Underwriters may request; provided, however, that the County shall not be required to consent to the jurisdiction of any state in which it is not now subject unless the County Attorney shall determine that such consent is in the best interest of the County.

Section 12. The Chairman of the Board, the County Manager, the Finance Director, the County Attorney and the Clerk to the Board, and any other officers, agents and employees of the County are hereby authorized and directed to deliver such certificates, opinions and other items of evidence as shall be deemed necessary to consummate the transactions described above.

Section 13. This resolution shall take effect immediately upon its passage.

Upon motion of Commissioner Hunsucker, seconded by Commissioner N/A, the foregoing resolution entitled "RESOLUTION MAKING CERTAIN FINDINGS AND DETERMINATIONS REGARDING THE FINANCING OF CERTAIN IMPROVEMENTS TO PUBLIC SCHOOL AND COMMUNITY COLLEGE FACILITIES PURSUANT TO AN INSTALLMENT FINANCING AGREEMENT; REQUESTING THE LOCAL GOVERNMENT COMMISSION TO

APPROVE THE FINANCING ARRANGEMENT; AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN INSTALLMENT FINANCING AGREEMENT, A DEED OF TRUST AND RELATED DOCUMENTS IN CONNECTION THEREWITH" was passed by the following vote:

Ayes: Barnes, Hunsucker, Barger, Beatty, and Lail.

Nays: N/A

9. Appointments:

**Animal Cruelty Investigators.**

County Manager J. Thomas Lundy recommended the appointment of Animal Services Manager Irene Phipps-Ruff, and Animal Control Officers Douglas J. Hagen and Michael Isenhour for appointment for fiscal year 2004-2005.

**Transportation Advisory Board**

Commissioner Beatty nominated John Blevins, David Weldon and William D. Stedman for reappointed for terms expiring March 14, 2006.

Commissioner Beatty nominated Anne Sumrell Van Meter for appointed to fill the unexpired term of Michael Kanai. The term will expire March 14, 2005.

Commissioner Beatty nominated Larry Pope for appointment to fill the unexpired term of Cynthia McGinnis who resigned. The term will expire March 14, 2005.

**Western Piedmont Sister City Association Board**

Chair Barnes recommended the nomination of Bebe Leitch for appointment to a first, two-year term replacing Rosiemarie Klingspor who was not eligible for reappointment. The term will expire June 30, 2006.

Commissioner Beatty made a motion to approve the aforementioned appointments. The motion carried unanimously.

10. Consent agenda:

County Manager J. Thomas Lundy presented the following consent agenda items:

a. Transfer of Capital Projects for Newton-Conover Schools.

Funds were appropriated in the current year budget to replace the gym roof at Thornton Elementary School. This project has been completed and has a balance of \$26,240.18 due to using a less expensive roofing system that did not require the removal of gravel and insulation. Funds were also included this year in the schools' capital budget to paint and repair the outside of the Administrative Building. This project has exceeded the \$60,000 budgeted amount due to the need to re-line the gutters around the entire building.

The transfer of \$26,240.18 from the completed roofing project at Thornton Elementary to complete the painting and repairs at the Administrative Building is requested.

The Finance and Personnel Subcommittee recommended that the Board of Commissioners approve a request from Newton-Conover Schools to transfer funds in the amount of \$26,240.18 from a completed capital project to a project for painting and repairs at the Administrative Building.

Transfer of Appropriation

|       |  |             |
|-------|--|-------------|
| From: | 420-750100-864200-33106-3-04<br>Thornton gym roof                | \$26,240.18 |
| To:   | 420-750100-864200-33110-3-07<br>Administrative Building painting | \$26,240.18 |

b. Board of Commissioners Delegation of Permitting and Approval Powers for Firework Displays in Catawba County by the Catawba County Fire Marshal.



The Policy and Public Works Subcommittee recommended that the Board of Commissioners delegate permitting and approval powers for firework displays in the County to the Fire Marshal, or his designee. County Manager J. Thomas Lundy requested that staff research the possibility of designating the Fire Marshal as the appropriate entity to approve fireworks displays and issue permits for all areas in Catawba County outside municipalities and the Town of Long View. General Statute G.S. 14-410 & 14-413 gives the authority to the Board of Commissioners to approve these permits and displays; however an amendment permits the Board to delegate this authority to the Fire Marshal.

- c. Waiver of fees for mulch.

Eagle Scout Candidate Nathan Huffman is working on a beautification project at Fred T. Foard High School in preparation to obtain Eagle Scout from the Boy Scouts of America. The amount of mulch needed is approximately five cubic yards and will be picked up at the Blackburn Landfill from June 25 - July 10, 2004. Staff recommended that the Board of Commissioners waive the fee.

Commissioner Barger made a motion to approve the consent agenda. The motion carried unanimously.

### End Consent Agenda

#### 11. Departmental Reports:

##### a. Utilities and Engineering Department:

##### 1. Hefner Property Purchase.

Public Services Administrator Jack Chandler said The Policy and Public Works Subcommittee recommended that the Board of Commissioners approve the purchase of the Arthur Belton Hefner property in the amount of \$356,700 and approve a budget revision to appropriate funds.

It was brought to staff's attention that the property bordering the Blackburn Landfill owned by the Arthur Belton Hefner heirs is for sale. Mr. Hefner is deceased and his two children are in possession of the property. Because this property splits the creek down gradient of the Blackburn Landfill, staff recommends that the County purchase the property for an environmental buffer. On the County's behalf, Martin-McGill, Inc., contacted the Hefner heirs and they are willing to sell the property to the County for \$350,000. The property is comprised of 47.17 acres with one dwelling and various outbuildings. The dwelling was constructed in 1900 and remodeled in 1968. This is the last piece of property between the MSW Landfill and the creek. This property will improve staff's ability to handle any future groundwater contamination allowing to extend state required buffer areas to the creek and provide for disposal of more waste in the future. The site will also offer the County more clay and soil for landfill development and operation, but further testing would be required to determine quantity and value. The asking price of \$350,000 equates to \$5,506 per acre. The tax value of the structure located on the property is \$90,300. The asking price of \$350,000 for the Hefner property compares relatively favorably with the average property purchased for the landfill. The following budget revision in the amount of \$356,700 includes the following expenses: \$350,000 for the property purchase, \$5,000 for the survey, \$1,000 for the County's portion of the County taxes, title insurance and recording fees, and \$700 for revenue stamps.

##### Supplemental Appropriation:

|                             |           |                      |           |
|-----------------------------|-----------|----------------------|-----------|
| 525-350150-987000           | \$346,700 | 525-350050-690100    | \$356,700 |
| Purchase of Land            |           | Fund Balance Applied |           |
| 525-350150-856900           | \$10,000  |                      |           |
| Other Professional Services |           |                      |           |

Commissioner Hunsucker made a motion to approve the purchase of the Arthur Belton Hefner property and approve the budget revision to appropriate the funds. The motion carried unanimously.

#### 12. Attorneys' Report. None.

13. Manager's Report. None.

14. Other items of business.

a. Reinventing:

1. **Personnel Changes, Reinventing Government - Social Services Department**

Add an Administrative Assistant I position effective July 1, 2004, in Social Services to provide support for the Child Advocacy Center and be located with that program. The Child Advocacy Board decided there is the need for such a position, and they have obtained the revenue necessary to fund it. Social Services provides management/supervision for the Child Advocacy Center.

2. **Reinventing Government - County Manager's Office**

Catawba County was selected to participate as a host community during the 2004-2005 pilot year of the Local Government Management Fellowship program.

A position will be added effective July 1, 2004, in the County Manager's Office. This position is needed for the Fellowship Program. The position will be a time-limited position for one year. Staff is establishing this position through the reinventing fund.

15. Adjournment.

At 8:40 p.m. the Board returned to regular session and there being no further business to come before the Board, Commissioner Barger made a motion to adjourn. The motion carried unanimously.

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Katherine W. Barnes  
Chair, Board of Commissioners

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Thelda B. Rhoney  
County Clerk